

# Rural Clean Energy Work Group

Meeting #1

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Energy Division

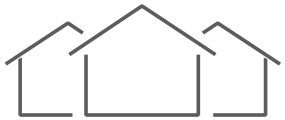
OCTOBER 13, 2021



Washington State  
Department of  
**Commerce**

# We strengthen communities

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**HOUSING  
HOMELESSNESS**



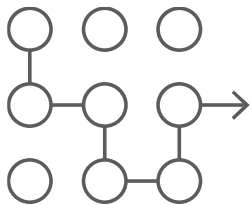
**INFRASTRUCTURE**



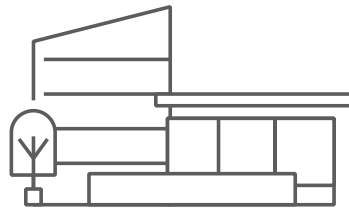
**BUSINESS  
ASSISTANCE**



**ENERGY**



**PLANNING**



**COMMUNITY FACILITIES**



**CRIME VICTIMS &  
PUBLIC SAFETY**



**COMMUNITY  
SERVICES**

# Virtual meeting reminders

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- The presentation portions of the meeting will be recorded
- Raise your hand, use the chat box and then unmute to ask questions or contribute to the discussion
- If possible, turn on your camera when you are speaking
- Don't forget to mute yourself when you are not speaking
- Reach out to **Queenie Karlik** for technical help



# Agenda

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- Welcome and introductions
- Community agreements and meeting guidelines
- Overview of draft work group charter and schedule
- Clean Energy Fund
  - Past programs
  - Current and future opportunities
- Initial brainstorm

# Goals of today's workshop

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- Introduction to the charge of the work group
- Get to know each person in the room
- Learn about the Department of Commerce Energy Division
- Start conversations about rural needs

# Introductions

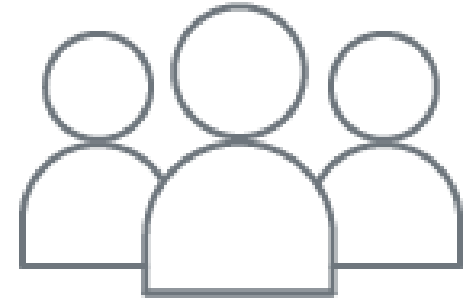
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- Please introduce yourself
  - Name
  - Title
  - Organization
  - One sentence overview of your organization's mission. Put overview in the chat

# Community agreements

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- Be present!
- Step up, step back
- Respond to and challenge ideas, not people
- Protect confidences: Stories stay, lessons leave
- Avoid jargon, acronyms, and industry language - use inclusive language that is accessible for people with varying inside knowledge



# Work Group charge

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## Section 1064 (14) (a) of 2021-2022 Biennial Capital Budget (SBH 1080)

- \$150,000 is provided solely for the department to develop targeted rural clean energy strategies informed by rural community and business engagement, outreach, and research.
- Commerce must convene a Rural Energy Work Group to identify investments, programs, and policy changes that align with the 2021 State Energy Strategy and increase access to clean energy opportunities in rural communities and agricultural and forestry management practices. The group must identify existing federal funding opportunities and strategies to leverage these funds with state capital investment.
- By June 30, 2022, the department shall report recommendations and findings from the rural energy work group to the office of financial management, the governor, and the appropriate legislative committees and present a strategic plan for state rural clean energy investment.



# Definition of “Rural” aligns with USDA

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- For the purpose of the report, we have agreed to use the definition provided by the U.S. Department of Agriculture’s (USDA) Rural Energy for America Program.
- Per the USDA, “rural” includes any other area than a city or town that has a population greater than 50,000, along with any contiguous and adjacent urbanized area, as defined by the U.S. Bureau of the Census using the latest decennial census of the United States.



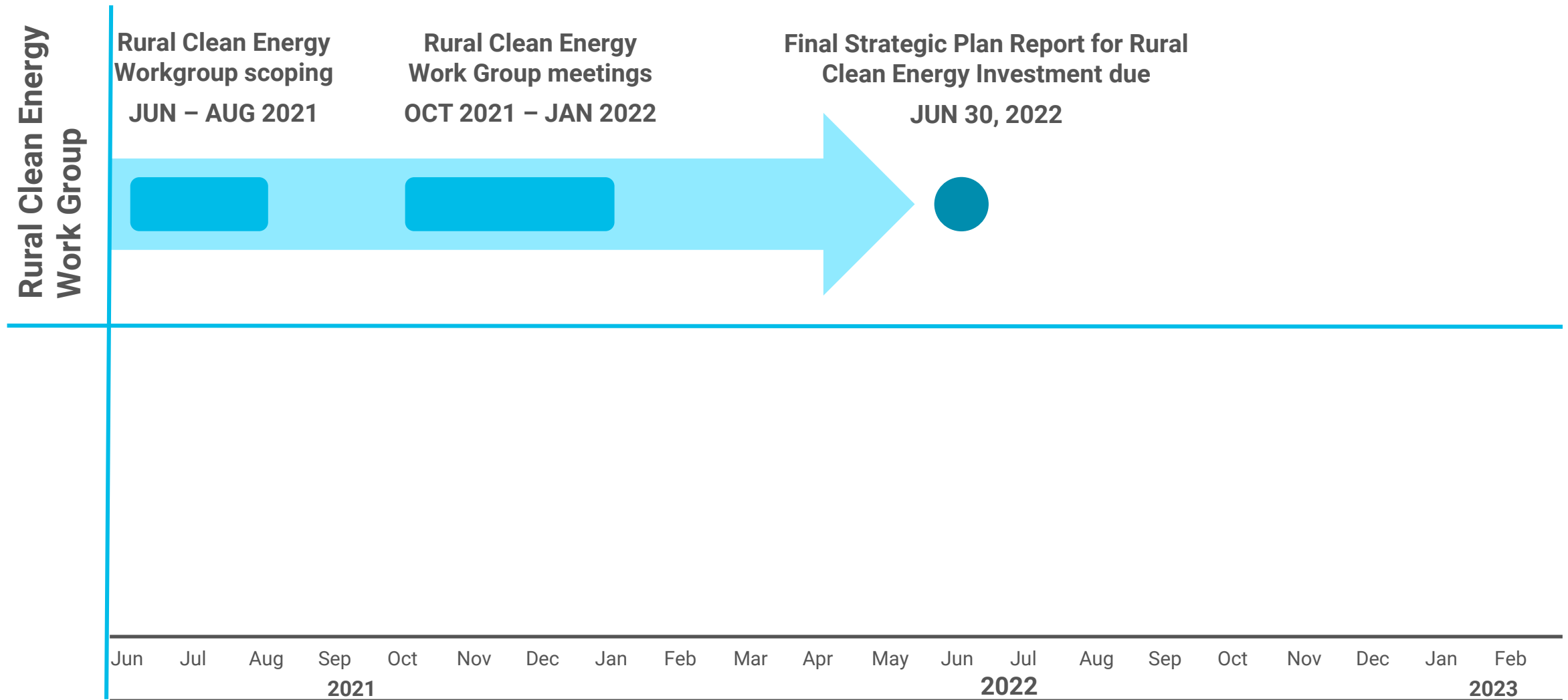
# Project goals

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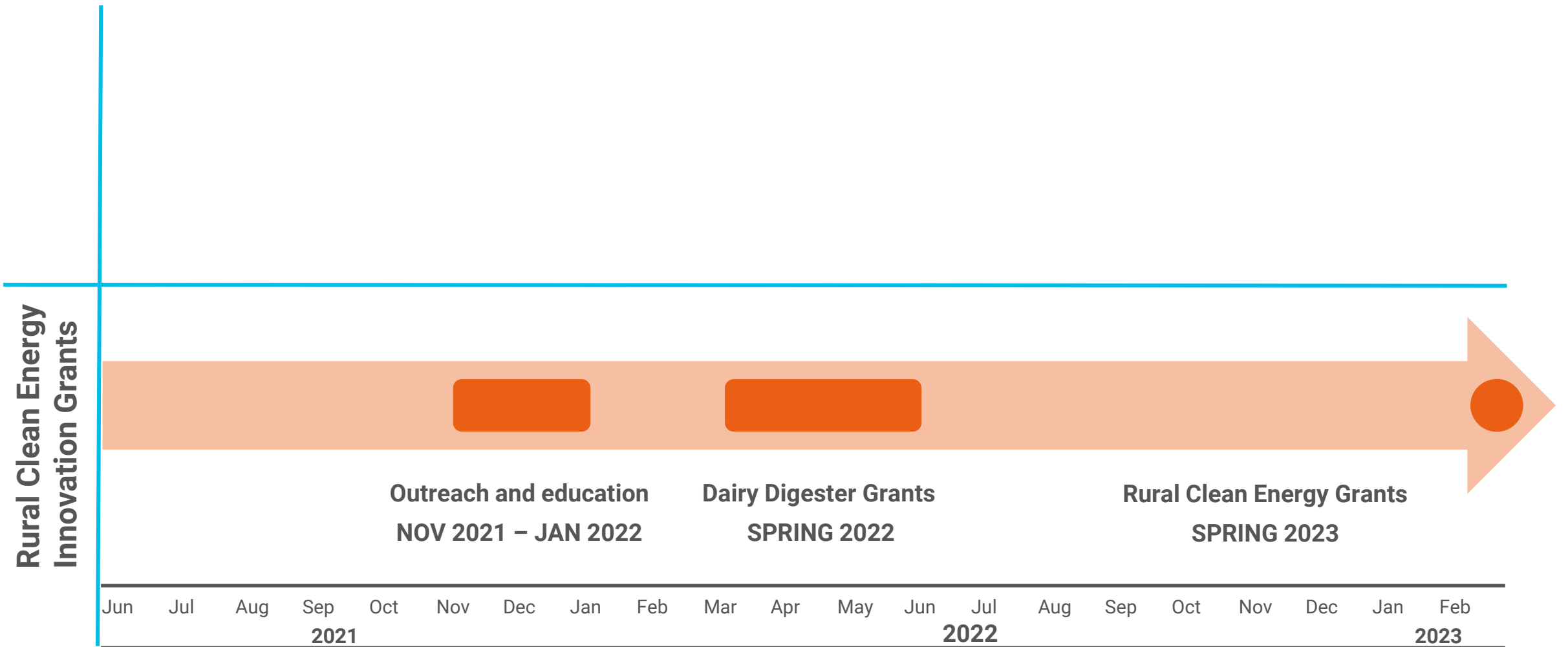
- **The June 2022 report will:**
  - Provide recommendations on investments, programs and policy changes that increase access to clean energy opportunities in rural communities and agricultural and forestry management practices.
  - Present a strategic plan for state rural clean energy investment.



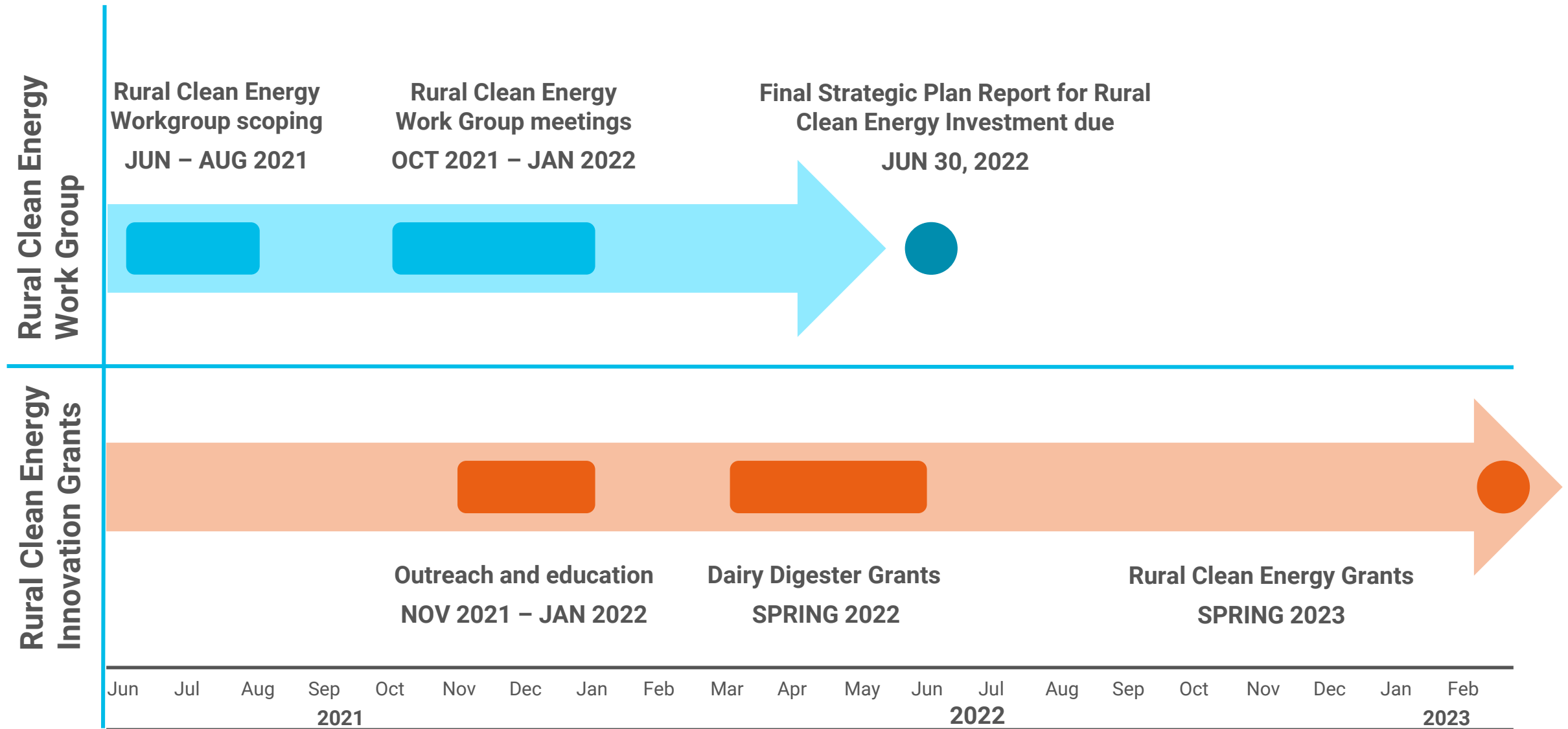
# Rural Clean Energy Work Group timeline



# Rural Clean Energy Innovation Grants timeline

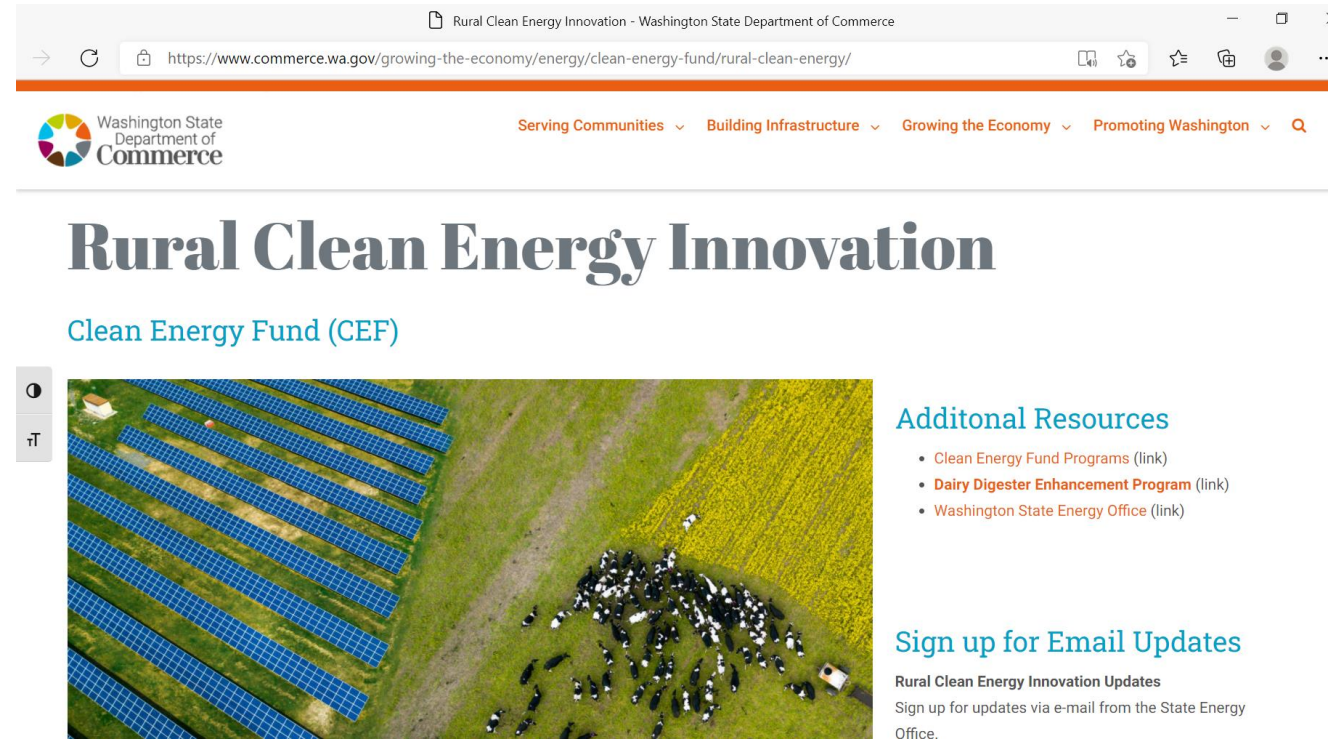


# Rural Clean Energy Innovation program timeline



# Education and outreach plan

- Tribal engagement
- Public hearing and corresponding public comment period



# Work Group timeline detail

RURAL CLEAN ENERGY LEGISLATIVE REPORT		
TASK DESCRIPTION	TIMING	FOCUS
Kickoff Meeting #1	Early October	Introductory meeting: history of CEF, background, context, proviso, roles and responsibilities
Meeting #2	October/November	Investments, programs and policy changes that align with the 2021 State Energy Strategy and increase access to clean energy opportunities in rural communities and agricultural and forestry management practices
		Breakout groups
		Report back, identify emerging ideas and themes
Meeting #3	November/December	Existing federal opportunities, and recommended strategies for leveraging these funds with CEF; review draft recommendations
Meeting #4	December/January	Finalize recommendations and strategic plan
Public comment	January 2022	Opportunity for public comment in response to recommendations from work group
Commerce process	February-June	Circulate report for internal review, and for OFM and Governor's office review and processing

# Clean Energy Fund Background

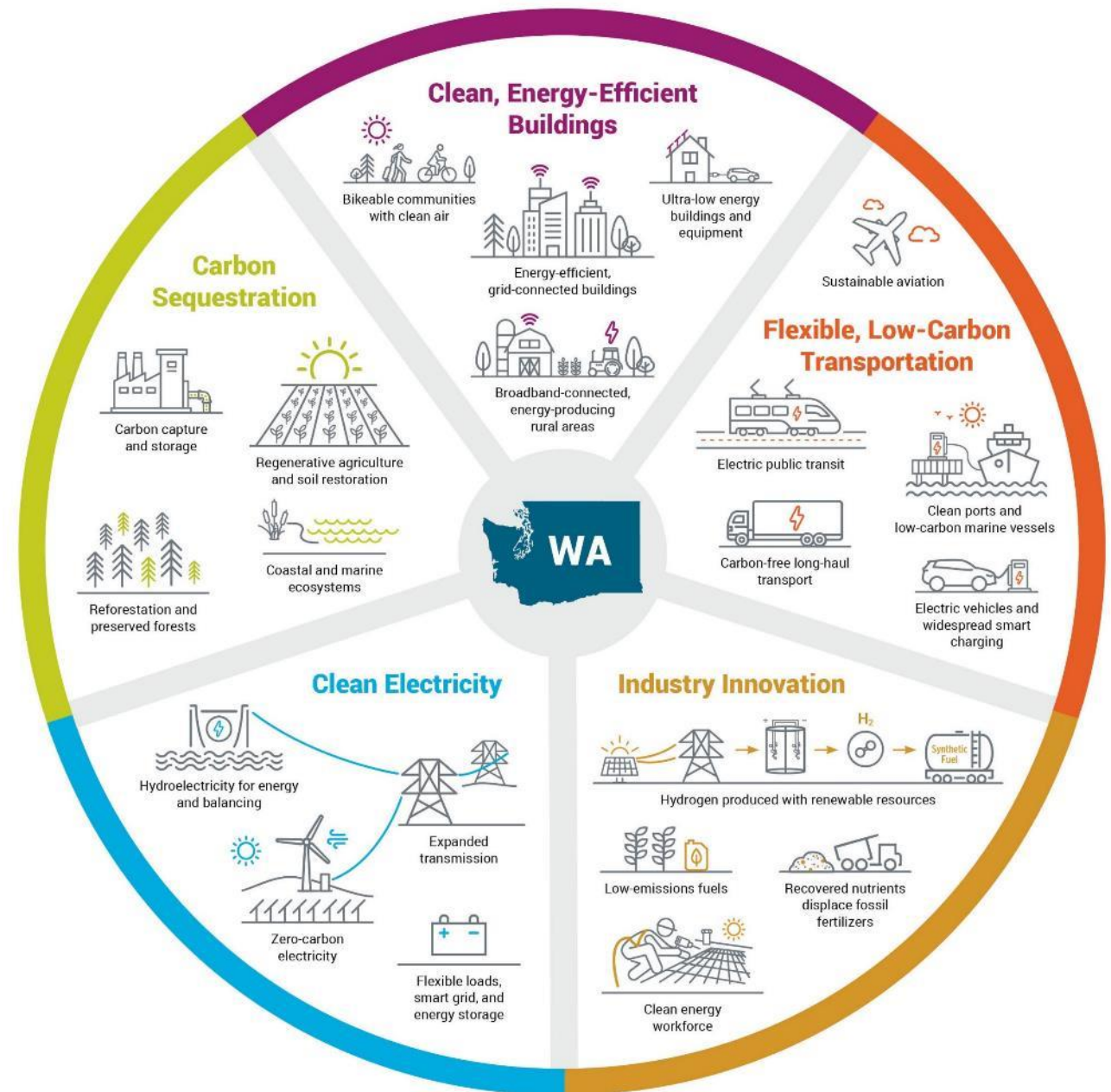




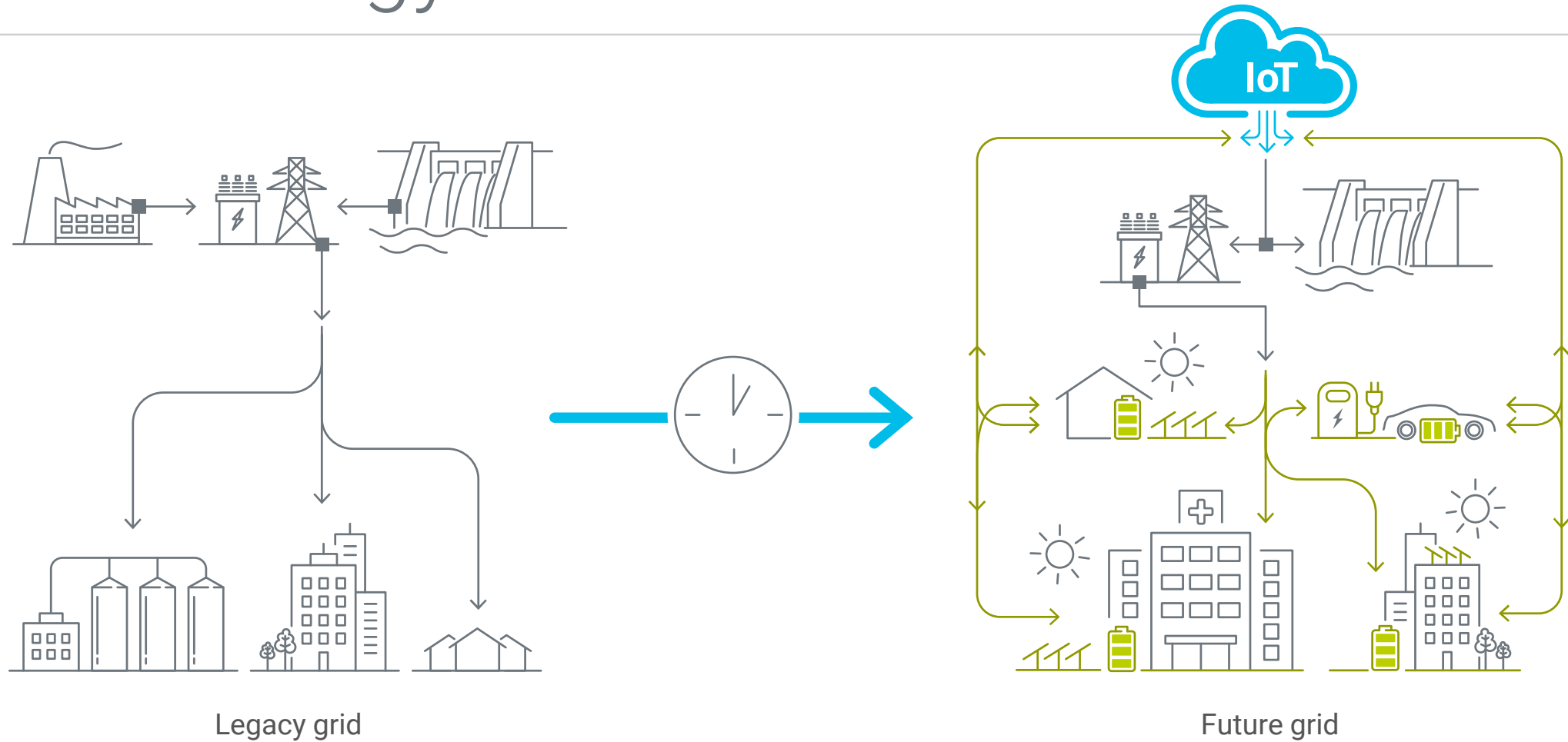
## WASHINGTON STATE 2050

# Net-Zero Vision

A blueprint for how we can meet our state's climate goals to nearly eliminate the use of climate-threatening fossil fuels by 2050, while growing a prosperous economy and maintaining affordable and reliable energy supplies.



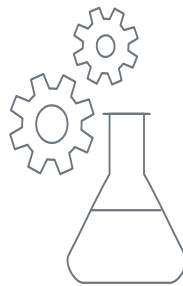
# Clean Energy Transformation



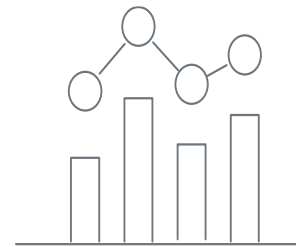
# Clean Energy Fund

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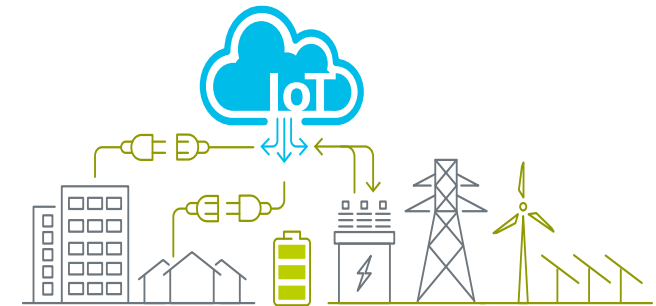
- Since 2013, \$211M appropriated by legislature
- Competitive grants to develop, demonstrate, and deploy clean energy technologies
- Catalyze public-private collaborations



Conduct  
research and  
development



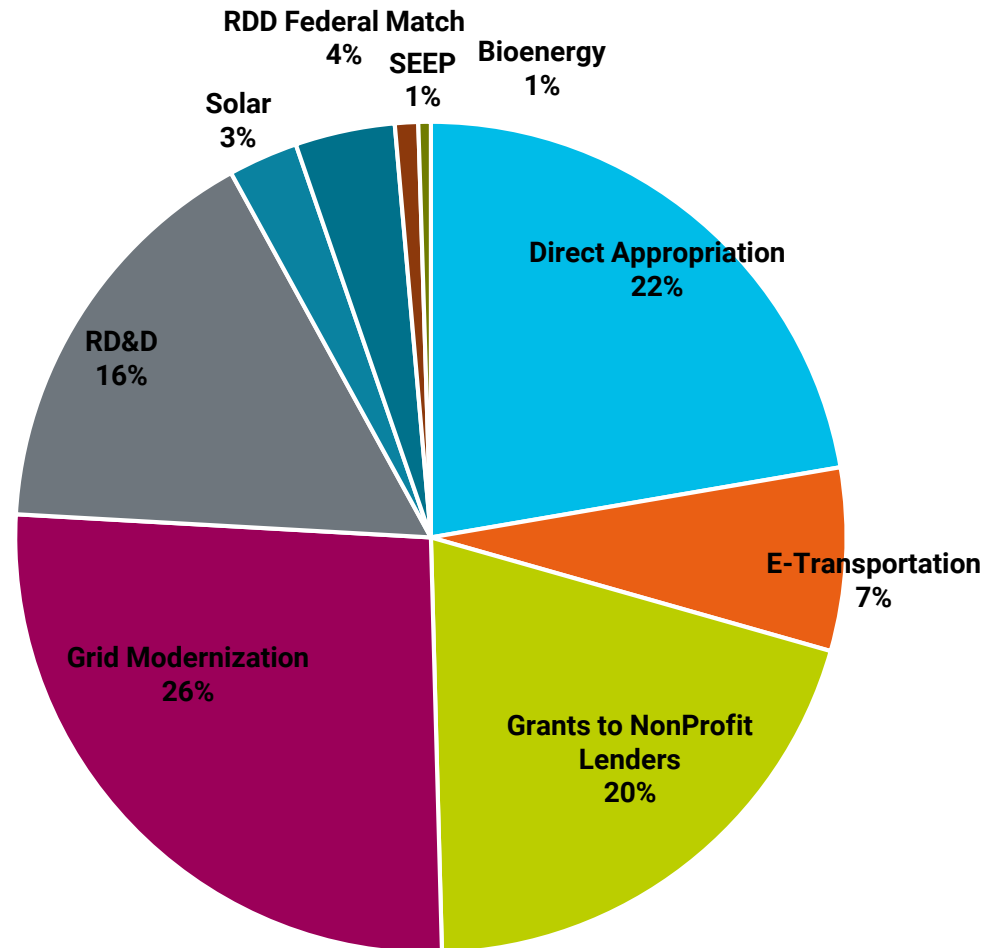
Demonstrate  
feasibility



Implement at  
scale

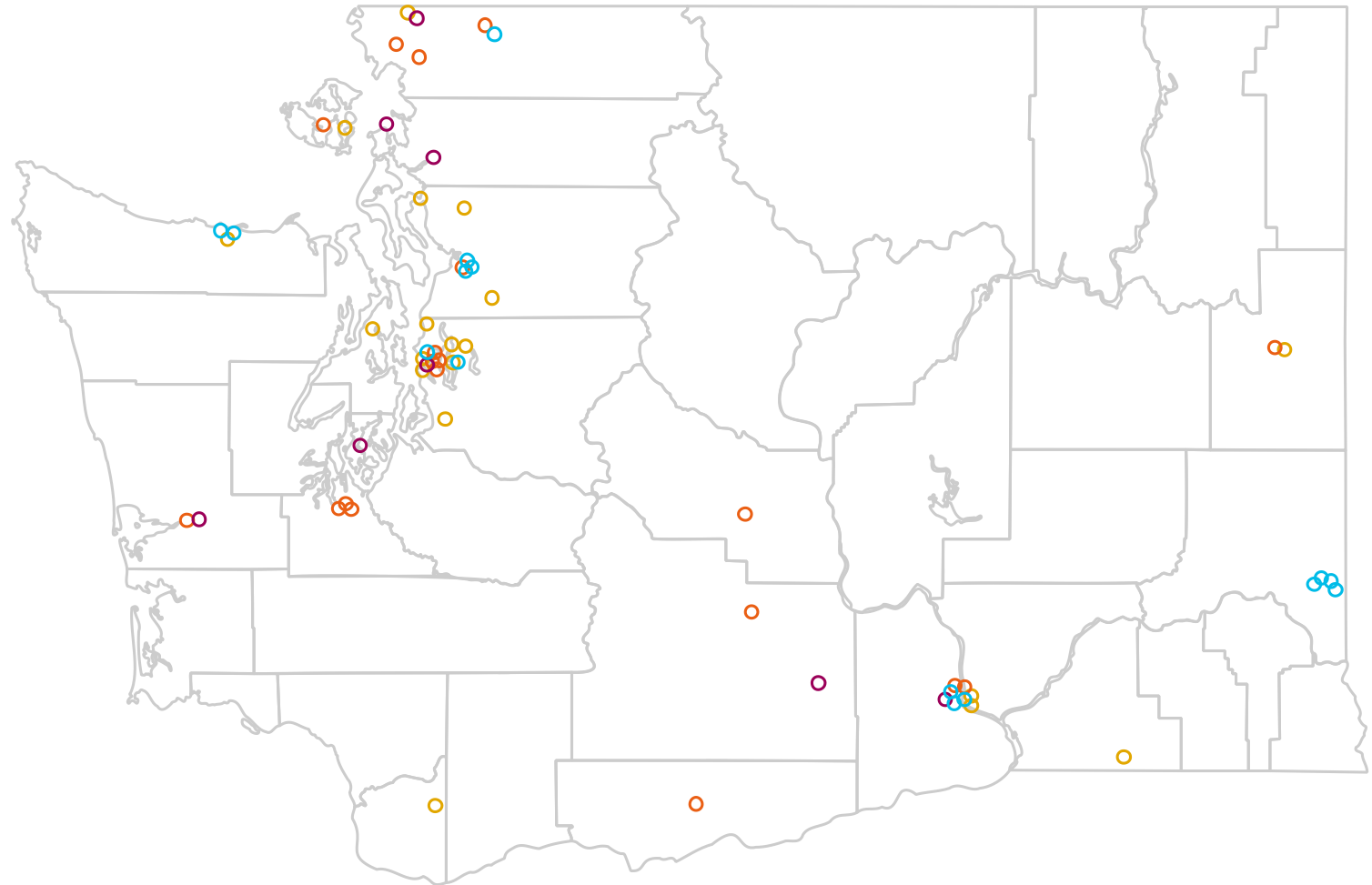
# CEF 1-4 investments

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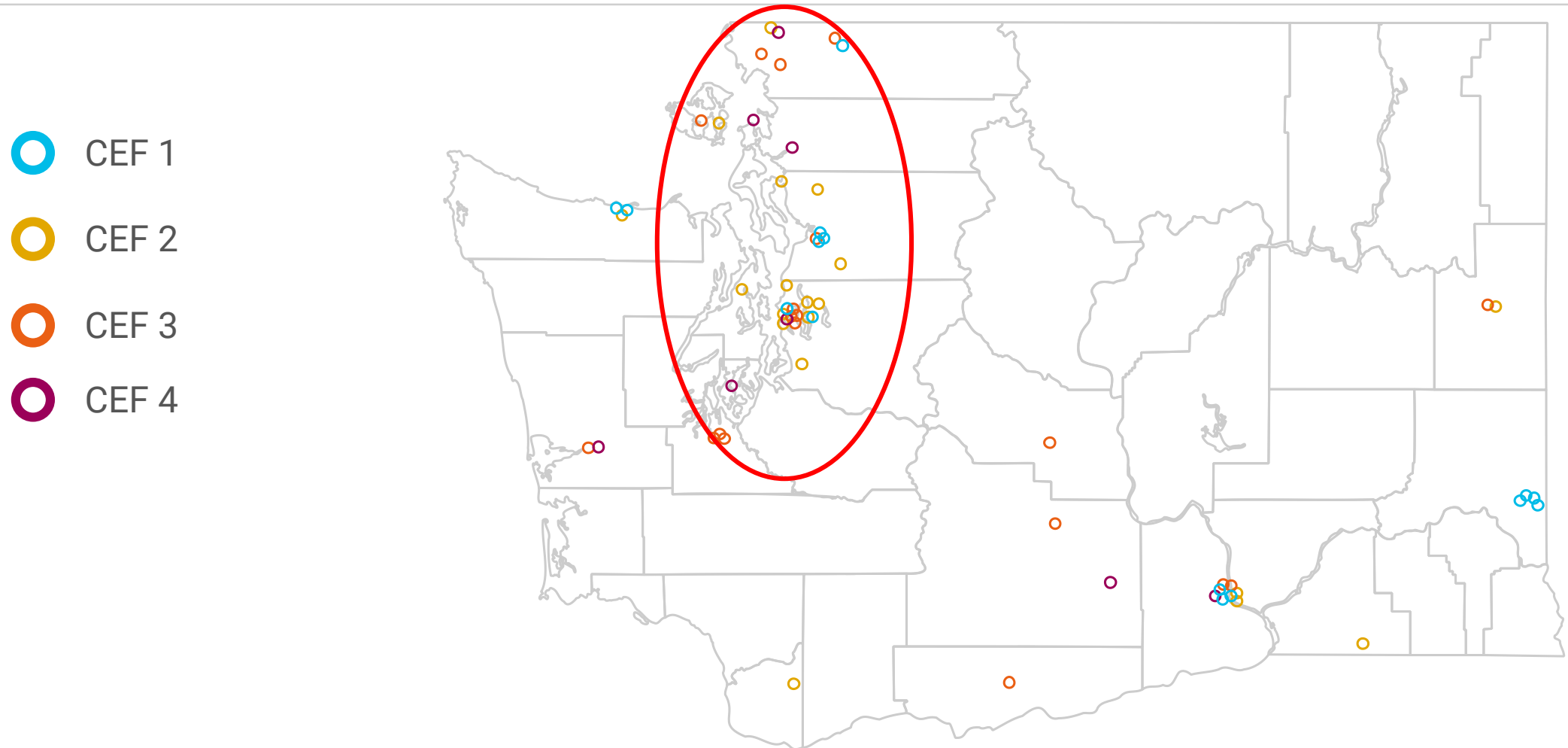


# Clean Energy Fund projects span Washington

- CEF 1
- CEF 2
- CEF 3
- CEF 4

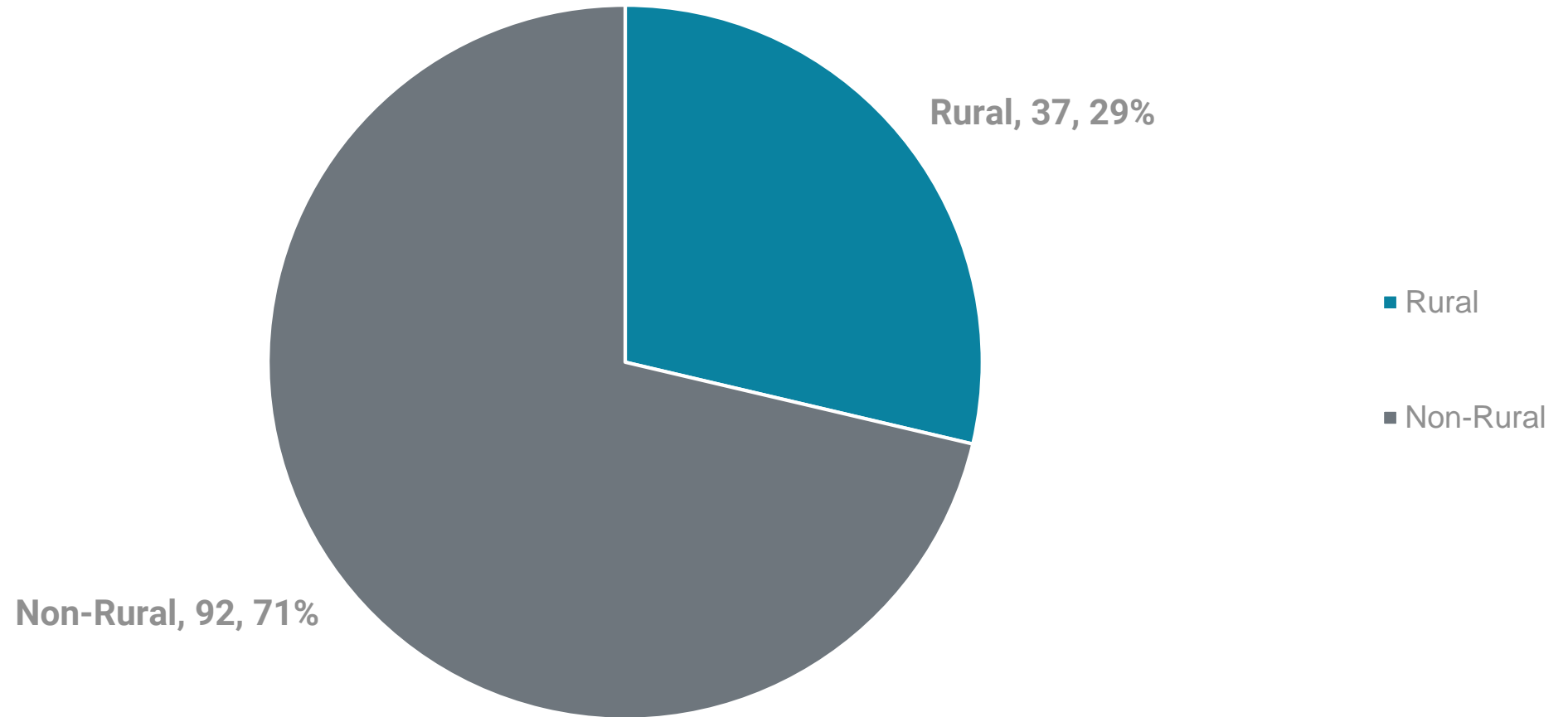


# Clean Energy Fund projects span Washington but are concentrated in urban counties

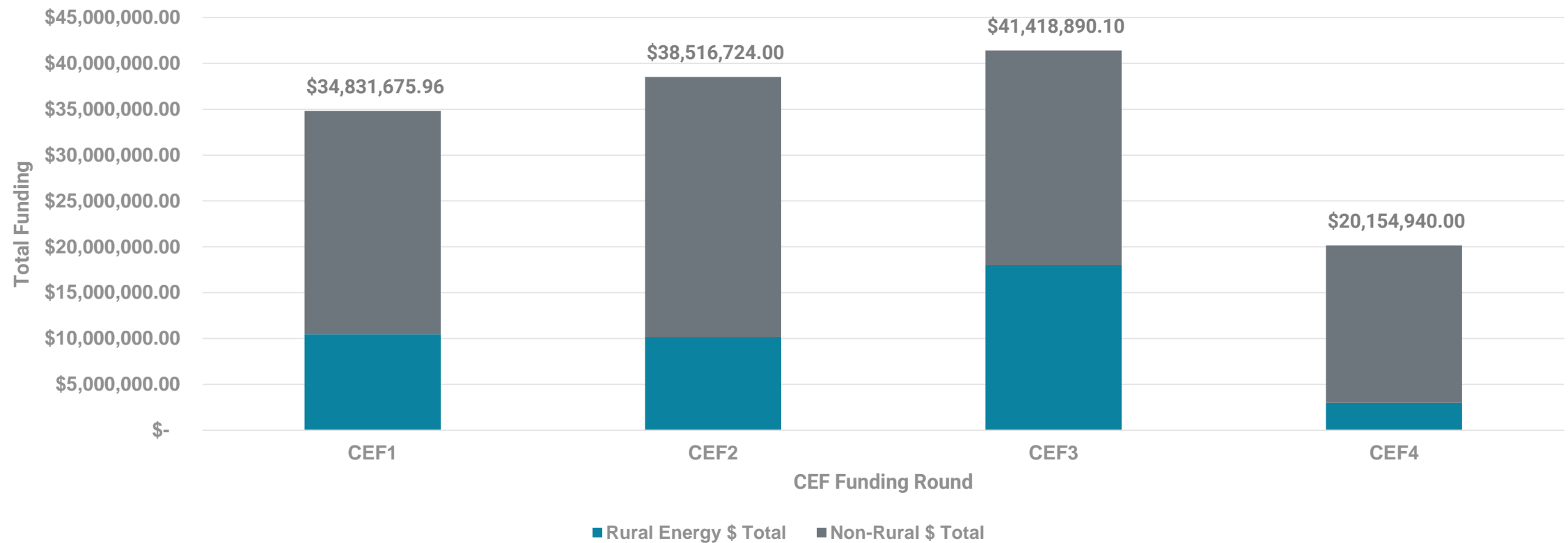


# CEF rural projects vs. non-rural projects

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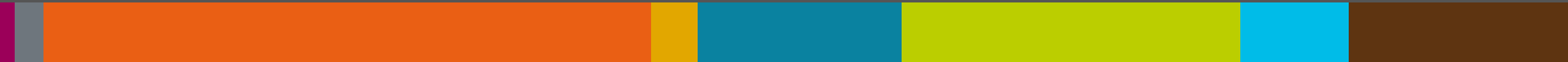


# CEF rural vs. non-rural funding





# Past and Future programs



# Previous bioenergy grant programs

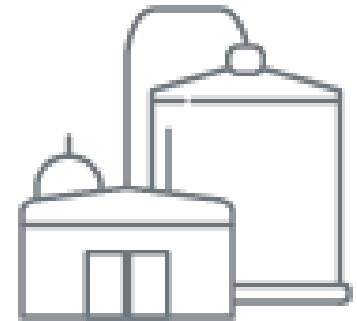
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- **Energy Division**

- Forest Products Financial Assistance Program

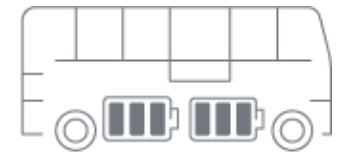
- **CEF**

- Wood Energy for Public Facilities
  - Dairy Digester Enhancement Program



# CEF rural opportunities

Program	Description	Rural Opportunities
<b>Electrification of Transportation</b>	Providing innovative approaches to electric vehicle charging equipment, with a particular focus on projects that demonstrate meaningful and enduring benefits to communities and populations disproportionately burdened by air pollution, climate change or transportation costs. A portion of CEF 5 funding will be available solely for federally recognized Tribal governments and local government projects addressing electric vehicle charging gaps in rural communities.	\$1.9 million (of \$2.9 million) for local governments in rural communities and Tribal governments, for projects addressing EV charger gaps in rural communities.
<b>Grid Modernization</b>	Advancing community resilience by supporting the integration of renewable energy sources, distributed energy resources and microgrids. New with CEF 5 – community organizations, local governments and federally recognized Tribal governments will be eligible to apply in partnership with retail electric utilities.	No carve-out, but increasing focus on grid reliability and community resilience using renewable technologies.



# CEF Rural Opportunities

Program	Description	Rural Opportunities
<b>Maritime</b>	Decarbonizing the maritime sector through electrifying ferries, vessels and ports, and adding charging and refueling infrastructure.	No carve-out but several projects including CEF 4 Skagit County Public Works Ferry Electrification
<b>Grants to Non-profit Lenders</b>	Connecting small businesses, non-profits, multi-family building owners and homeowners with low-cost financing for clean energy projects. Grants provided through this program provide funds that help reduce risk and provide inexpensive capital for underserved markets to deploy clean energy projects.	Participating nonprofit lenders can make loans available to: residential, commercial, industrial, and agricultural energy retrofits; residential and community-scale solar installations; and anaerobic digesters to treat dairy and organic waste.
<b>Building Electrification</b>	Demonstrating grid-enabled, high-efficiency, all-electric buildings that significantly reduce greenhouse gas emissions, accelerate the path to zero-energy and demonstrate early adoption of grid integration technology.	New program! Aligns State Energy Strategy goals for decarbonizing and electrifying buildings. Program under development.



# CEF Rural Opportunities

Program	Description	Rural Opportunities
<b>Research, Development &amp; Demonstration</b>	Supporting strategic research and development for new and emerging clean energy technologies that advance the state's climate goals, create opportunities for economic and job growth, and strengthen technology supply chains. The program is exploring the option of community-based participatory research.	Demonstration projects span rural communities throughout the state. Projects that develop research and manufacturing facilities support workforce development in rural counties.
<b>Rural Energy</b>	Promoting the development of innovative clean energy projects in rural communities including, but not limited to, beneficial electrification, organic waste management, biological carbon sequestration and dairy digester bioenergy projects.	<p>\$4.6 million for rural clean energy grants</p> <ul style="list-style-type: none"><li>• \$1.84 million for dairy digester bioenergy</li><li>• \$2.8 million for rural energy innovation (including \$921,500 carve-out Tribal projects)</li></ul>



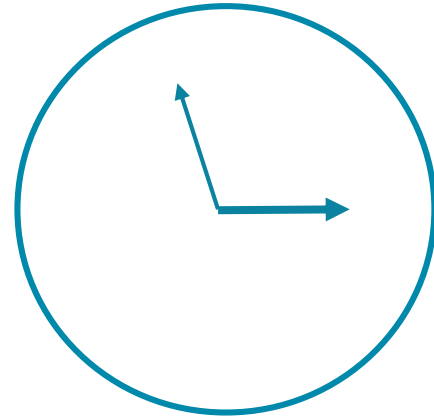
# Questions



# Break

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- Break ends at 2:55pm



# Discussion

- **Breakout:**
  - What do rural communities need irrespective of rural energy?
  - How have these needs changed from previous years with impacts from Covid-19?
- **Breakout:**
  - What do you already know about your community partners and their priorities and needs?
  - Whose voice is not in the room?





# Introductions

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# Next steps

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- **Work Group Members:**
  - Complete scheduling poll for next two meetings
- **Commerce:**
  - Distribute summary of meeting notes
  - Post presentation slides and recordings to website

# Thank you!

**Angela LaSalle**

GRANTS MANAGER

[angela.lasalle@commerce.wa.gov](mailto:angela.lasalle@commerce.wa.gov)

(360) 764-9127

**Sarah Vorpahl**

SENIOR ENERGY POLICY SPECIALIST

[sarah.vorpahl@commerce.wa.gov](mailto:sarah.vorpahl@commerce.wa.gov)

(360) 725-3120

**Jennifer Grove**

ENERGY PROGRAMS IN COMMUNITIES MANAGING DIRECTOR

[jennifer.grove@commerce.wa.gov](mailto:jennifer.grove@commerce.wa.gov)

(360) 763-2213



Washington State  
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# Appendix



# CEF rural energy funding

